

Ray Madden
U.S. Department of Energy
Office of Inspector General

On February 22, 2010 BrightSource Energy, Inc., developer of utility-scale solar thermal power plants, announced the U.S. Department of Energy has conditionally committed to provide \$1.37 billion in loan guarantees to support the financing of BrightSource's Ivanpah Solar Electric Generating System. BrightSource proposes to develop three solar thermal power plants and shared facilities in close proximity to the Ivanpah Dry Lake, in San Bernardino County, California on federal land managed by the Bureau of Land Management (BLM). The proposed project would be constructed in three phases: two 100-megawatt (MW) phases (known as Ivanpah 1 and Ivanpah 2) and a 200-MW phase (Ivanpah 3).

The loan guarantee was announced before the project's Environmental Impact Statement had been completed and a record of decision issued for the project by the BLM pursuant to the National Environmental Policy Act (NEPA) which demonstrates a pre-decisional commitment for the project's approval prior to conducting any so-called independent environmental assessment of the project's impacts.

In November, 2009, Secretary of the Interior Ken Salazar detailed several California renewable energy projects that are on a fast track in the desert. "Under President Obama's leadership, we have entered a new energy frontier," Salazar said. "By putting these renewable energy projects on a fast track, we are managing our public lands not just for conventional energy development but also for environmentally responsible renewable energy production that will power our clean energy future."

Fast-track projects are those where the companies involved have demonstrated to the Bureau of Land Management (BLM) that they have made sufficient progress to formally start the environmental review and public participation process. These projects are advanced enough in the permitting process that they could potentially be cleared for approval by December 2010, thus making them eligible for economic stimulus funding under the American Recovery and Reinvestment Act of 2009. Many of these companies are foreign-owned, such as Solar Millennium, a subsidiary of a German company.

These include Solar projects such as: Ivanpah BrightSource Solar Project (CACA-48668), Solar Millennium Blythe Solar Project (CACA-48811), Solar Millennium Palen Solar Project (CACA-48810), Solar Millennium Ridgecrest Solar Project (CACA-49016), NextEra Genesis Ford Dry Lake Solar Project (CACA-4880), Stirling Energy Systems Solar Two Project (CACA-47740), Stirling Energy Solar One Project (CACA 049537/CACA-049539), FirstSolar Desert Sunlight (CACA-48649), Chevron Energy Systems Lucerne Valley Solar Project (CACA 49561), and other solar, wind and transmission projects.

Loan guarantee violated the civil rights of Native Americans

The last week of February 2010 I filed a complaint at Recovery.gov against the US DOE issuance of the \$1.37 billion in loan guarantees claiming it violated the civil rights of US workers and Native Americans in particular since the project was located on what was clearly sacred wilderness areas to the local indigenous tribes; the Mojave, Southern Paiute, and Chemehuevi.

My complaint alleged this action by US DOE violate Title VI of the Civil Rights Act of 1964 that no person in the United States shall be excluded from participation in or otherwise discriminated against on the ground of race, color, or national origin under any program or activity receiving Federal financial assistance.

In behalf of CARE's Native American members I complained that the project adversely impacted Native American cultural resources and sacred sites and that the federal government had a duty to conduct government to government consultations with Native American tribes impacted by the project and the BLM had failed to do so which violated Title VI of the Civil Rights Act of 1964. I also complained that the project would not provide any jobs to Native Americans.

California lawmakers are currently developing legislation to increase the current 20% by 2010 Renewables Portfolio Standard (RPS) to 33% by 2020. The California Public Utilities Commission (CPUC) and California Energy Commission (Energy Commission) have endorsed this change and it is a key greenhouse gas (GHG) reduction strategy in the California Air Resources Board's (ARB) Assembly Bill (AB) 32 Scoping Plan.

While the goal of greenhouse gas reduction is worthy, these large scale plants pose other dilemmas, from the water use required by the "Ivanpah" plant, to potential displacement of endangered species, and possible destruction or diminishment of Native sacred sites.

In a desert, which some claim as part of the Colorado River Basin drainage, the project would use a wet cooling tower for power plant cooling. Water for cooling tower makeup, process water makeup, and other industrial uses such as mirror washing would be supplied from on-site groundwater wells. Project cooling water blowdown will be piped to lined, on-site evaporation ponds. Electrical power would be produced using steam turbines fed from solar steam generators. The solar steam generators receive heated transfer fluid from solar thermal equipment comprised of arrays of parabolic mirrors that collect energy from the sun.

The land is home to various endangered species of plants and wildlife, and to the Desert Tortoise. But human beings have also lived at the foot of these peaks for a very long time. The Palen Mountains are sacred to the Native Americans and in Nahuatl they are called "Hue-Hue-Talpallan" which means Hue (Ancient), Hue (Ancient), Talpallan (Reddish Earth) altogether this means "The Ancient, Ancient Reddish Earth"

The area is also home to Native petroglyphs, ancient trails, springs and a way of life and cosmological orientation that derives its symbolism and power from the very mountains which ring the valley to be paved over by the plant. The tribal community whose heritage

is at state is the Chemehuevi, or NuVuu. The NuVuu are Ute Aztecan, and this is where it gets interesting. The area is known as La Cuna de Atzlan, or the Cradle of Atzlan. Local indigenous leaders proclaim the landscape itself to be the source of the imagery of the Aztec calendar.

Atzlan is referred to in the "Book of the Hopi" as the creation site of the people. Mexican historian and Professor Emeritas of the Autonomous University of Baja California, Dr. Celso Aguirre Bernal, has stated that in their wanderings, the Aztecs left other remnants of their civilization, founding such modern tribes as the Hopi and the Colorado River Indian Communities. These and many other Southwestern tribes refer to the Aztecs as the Hohokam, or "Those who are gone."

Loan guarantee violated the civil rights of US workers

I also alleged that as an unemployed Sr. Manufacturing Engineer in California the announcement discriminates against me personally since most of the stimulus funds would go overseas to manufacturers of the material to be utilized to construct these energy facilities in the California desert. I've included several NEWS article that point to the fact that all these new manufacturing jobs will go to China.

In the Dallas News article *Wind turbine jobs blow in China's direction* "[t]he rush to America of foreign wind-turbine manufacturers shows that the Obama administration's plan for stimulating the creation of green-energy jobs is going in an odd direction. Two weeks ago, U.S. Renewable Energy Group, led by Dallas investor Cappy McGarr, announced plans to build a \$1.5 billion wind energy farm in West Texas. About a third of the money would come from federal stimulus funds. All of the wind turbines (and much of the remaining investment capital) would come from China... There would be perhaps 330 jobs created in Texas. Most would be temporary construction jobs. Meanwhile, thousands of Chinese workers in the northeastern industrial city Shenyang would build the labor-intensive turbines."

Also from the Popular Science article *Huge Texas Wind Farm's Turbines Will Be Made in China* "[t]he Shenyang Power Group has signed on to supply 240 of its massive 2.5-megawatt wind turbines to a 36,000-acre development in West Texas. The Wall Street Journal reports that the wind farm is also slated to receive \$1.5 billion in financing from the Export-Import Bank of China... As a reflection of this, just 15 percent of the 2,800 new jobs from the new wind-turbine development will take the form of U.S. jobs."

And finally from the New York Times article *U.S. Company and China Plan Solar Project* "First Solar, based in Tempe, Ariz., is also likely to build a factory in China to make thin-film solar panels, said Mike Ahearn, the company's chief executive... First Solar said the 2,000-megawatt power plant would cost \$5 billion to \$6 billion if built in the United States today, but it said the cost to build such a project in China would probably be lower... China is home to a blossoming solar industry thanks to generous government support. But Chinese companies like Suntech, the world's third-largest solar module maker, export most of their products."

We can't afford sending thousands of manufacturing jobs for the materials used to construct these projects to other countries overseas when we need those manufacturing jobs here in California. The New York Times Op-Ed titled *Workers Crushed by Toyota* points to this fact. "California has been very, very good to Toyota. It is one of the largest markets in the world for the popular Prius hybrid. Nearly 18 percent of all Toyotas sold in the U.S. are sold in California. The state has showered the company with benefits, including large-scale infrastructure improvements for its operations and millions of dollars for worker training. California is one of the key reasons that Toyota is the wealthiest carmaker on the planet... Toyota is paying the state back with the foulest form of ingratitude... The company is planning to shut down the assembly plant in Fremont, Calif., that makes Corollas and the Tacoma compact pickup. The plant closure will throw 4,700 experienced, highly skilled and dedicated employees onto the street during the worst job market since the Depression, and it will jeopardize nearly 20,000 other jobs around the state."

The big stranded utilities like Edison and PG&E get a guaranteed rate of return on transmission projects that interconnect renewables located on federal wilderness areas. With rooftop solar they don't; so that's why they don't support the High DG alternative, since you and me the ratepayers control our own energy destiny. What makes sense is you eliminate water use, steam turbines, transmission lines and line loss, environmental and cultural impacts, and permitting delays, and you use the power close to where it is generated. What I propose is the ARRA stimulus funds be made available to ratepayers to put solar panels on homes and businesses where the power is needed instead of just wasting it on Enron II. That is the only way you can guarantee "no person in the United States shall be excluded from participation in or otherwise discriminated against on the ground of race, color, or national origin under any program or activity receiving Federal financial assistance" is to spend these ARRA funds on Americans.

Respectfully submitted,



Michael E. Boyd President (CARE)
CALifornians for Renewable Energy, Inc.
Phone: (408) 891-9677
E-mail: michaelboyd@sbcglobal.net
5439 Soquel Drive
Soquel, CA 95073

cc.

http://www.dallasnews.com/sharedcontent/dws/bus/columnists/jlanders/stories/DN-lenders_17bus.1.ART0.State.Edition1.3f095e8.html

Wind turbine jobs blow in China's direction

12:00 AM CST on Tuesday, November 17, 2009

WASHINGTON – The rush to America of foreign wind-turbine manufacturers shows that the [Obama](#) administration's plan for stimulating the creation of green-energy jobs is going in an odd direction.

Two weeks ago, [U.S. Renewable Energy Group](#), led by [Dallas](#) investor Cappy McGarr, announced plans to build a \$1.5 billion wind energy farm in West [Texas](#). About a third of the money would come from federal stimulus funds. All of the wind turbines (and much of the remaining investment capital) would come from [China](#).

"We believe that this project will greatly contribute to job creation, the goals of the Obama administration and our desire to reduce our reliance on fossil fuels and increase our energy independence," McGarr said in announcing the deal.

There would be perhaps 330 jobs created in Texas. Most would be temporary construction jobs. Meanwhile, thousands of Chinese workers in the northeastern industrial city Shenyang would build the labor-intensive turbines.

Most of the wind energy projects seeking money under the American Recovery and Reinvestment Act rely on foreign-made turbines. Even the industry we have here at home, led by GE, is looking abroad. GE's technology will power the gearboxes of the turbines for the U.S. Renewable Energy Group. The gearboxes will be made in China.

U.S. companies emerging from the financial shocks of the last year haven't started investing in American factory jobs. Richard Fisher, president of the [Federal Reserve Bank of Dallas](#), told an Austin audience last week that the company CEOs he speaks with are more interested in investing abroad.

That doesn't fit with the administration's plans. To fix the big economic imbalances of the U.S. economy, administration economists say, Americans must save more, import less and sell more U.S. goods to the world. This is particularly important in the U.S. relationship with China, which is America's biggest creditor.

[Democrats](#), with union support, included a "Buy America" provision in the [stimulus bill](#). This hasn't proved to be an obstacle to moving ahead with wind projects that rely on foreign-made turbines.

When the wind is right, the U.S. Renewable project would generate more than 600 megawatts of electricity, or enough for 180,000 homes. Texas has long recognized such energy projects as a public good and provides incentives to support them.

Federal support has been more haphazard. Wind energy advocates say that's a reason other countries are taking the lead with alternative energy technologies developed in the United States.

President Barack Obama said the stimulus bill would create environmentally friendly manufacturing jobs in America. He's using the same rhetoric to promote legislation that would curb greenhouse gas emissions.

To get there, however, it now looks like we'll have to rely on foreign investors.

The engineering for the U.S. Renewable turbines was developed in Germany. Joachim Fuhrlander, CEO of this namesake company, says the West Texas project and others will eventually lead to service jobs for more than a thousand Americans.

[Denise Bode](#), president of the [American Wind Energy Association](#), says other foreign manufacturers are moving plants to the United States to be nearer the world's biggest wind market.

In a roundabout way, those plants will create American jobs. That might be behind another wind farm announcement scheduled for Wednesday, this time by the Portuguese-owned firm Horizon Wind Energy.

Horizon says its latest investment "will create thousands of good-paying jobs on American soil."

<http://www.popsci.com/technology/article/2009-10/huge-texas-wind-turbines-will-be-made-china>

Huge Texas Wind Farm's Turbines Will Be Made in China

A Chinese wind-turbine company strikes a deal to become the exclusive supplier for one of the largest U.S. wind farms

By [Jeremy Hsu](#) Posted 10.30.2009 at 4:58 pm [46 Comments](#)



Texan Wind Power Will the future of clean tech come from the U.S. or abroad?
[Leaflet/Wiki Commons](#)

Clean tech has seen a boost as the U.S. pours government funding into renewable energy, and China looks set to reap much of the benefits. Latest example: a Chinese wind-turbine company has just become the exclusive supplier for one of the largest wind-farm developments in the U.S.

The Shenyang Power Group has signed on to supply 240 of its massive 2.5-megawatt wind turbines to a 36,000-acre development in West Texas. The [Wall Street Journal](#) reports that the wind farm is also slated to receive \$1.5 billion in financing from the Export-Import Bank of China.

This comes as the U.S. has increasingly out-sourced much of its wind turbine development. Less than a quarter of wind turbine components installed in the U.S. came from domestic production, and Europe currently holds the lion's share of turbine manufacturing. A Norwegian firm launched the world's first full-scale [floating wind turbine](#) this September.

As a reflection of this, just 15 percent of the 2,800 new jobs from the new wind-turbine development will take the form of U.S. jobs. The U.S. government has tried to help the nation's renewable energy industry with \$500 million in grants -- but it will likely take a

while for U.S. wind power manufacturers to play catch-up after struggling with an uneven market.

Still, this doesn't mean U.S. companies and entrepreneurs have been complete laggards. General Electric has invested in [gearless wind turbines](#) with an eye on tapping the European market, and one of *PopSci's* previous Inventions Awards went to the inventor of [small wind power rotors](#).

September 9, 2009, NYT

U.S. Company and China Plan Solar Project

By TODD WOODY

Chinese government officials signed an agreement on Tuesday with First Solar, an American solar developer, for a 2,000-megawatt photovoltaic farm to be built in the Mongolian desert.

Set for completion in 2019, the First Solar project represents the world's biggest photovoltaic power plant project to date, and is part of an 11,950-megawatt renewable-energy park planned for Ordos City in Inner Mongolia.

The memorandum of understanding between Chinese officials and First Solar, the world's largest photovoltaic cell manufacturer, would open a potentially vast solar market in China and follows the Chinese government's recent moves to accelerate development of renewable energy.

When completed, the Ordos solar farm would generate enough electricity to power about three million Chinese homes, according to First Solar.

First Solar, based in Tempe, Ariz., is also likely to build a factory in China to make thin-film solar panels, said Mike Ahearn, the company's chief executive. "It is significant that a non-Chinese company can land something like this in China," Mr. Ahearn said in an interview.

Most proposed large-scale solar projects use solar thermal technology, which deploys mirrors to heat a liquid to create steam that drives an electricity-generating turbine. But as photovoltaic technology becomes more cost-competitive, utilities are turning to companies like First Solar for big [solar power](#) farms. Such projects generally have fewer environmental impacts and can be brought online faster than solar thermal plants.

"This is nuclear power-size scale," Mr. Ahearn said of the China project. "A twogigawatt solar project, if this is connected and is economical at the grid level, demonstrates that solar on a large scale really does work."

Financial terms of the agreement have yet to be reached and will depend on China completing a feed-in tariff that pays a premium for electricity generated by renewable energy projects. First Solar said the 2,000-megawatt power plant would

cost \$5 billion to \$6 billion if built in the United States today, but it said the cost to build such a project in China would probably be lower.

The Ordos agreement is the latest large-scale solar farm deal that First Solar has signed in recent months as it expands its business from manufacturing solar modules to building power plants. The company also has agreed [to supply two California utilities with 1,100 megawatts of electricity](#) from three big solar farms.

“Discussions with First Solar about building a factory in China demonstrate to investors in China that they can confidently invest in the most advanced technologies available,” Cao Zhichen, vice mayor of Ordos Municipal Government, said in a statement.

Until the announcement of the Ordos project, the largest single photovoltaic power plant was the 550-megawatt Topaz solar farm to be built by First Solar in California. As solar panel prices continue to fall and projects like Ordos bring further economies of scale, photovoltaic farms are expected to become more competitive with solar thermal power plants.

China is home to a blossoming solar industry thanks to [generous government support](#). But Chinese companies like Suntech, the world’s third-largest solar module maker, export most of their products.

First Solar’s cadmium telluride solar cells are less efficient at converting sunlight into electricity than standard crystalline silicon cells made by companies like Suntech but they can be manufactured at a significantly lower cost.

“Given that China has built up homegrown companies like Suntech, it’s quite significant that they’re importing a U.S. world leader to the marketplace,” said Nathaniel Bullard, a solar analyst at New Energy Finance, a London market research firm. “This is going to help ensure technological leadership and not just manufacturing leadership.”

Suntech formed a venture last year to build solar power plants in the United States and has announced plans to open a factory in the Southwest.

A high-ranking Chinese official, Wu Bangguo, chairman of the Standing Committee of the National People’s Congress of China, attended the signing of the First Solar agreement in Arizona on Tuesday. The memorandum of understanding is just the first step in what is likely to be a long and complicated process to build such a gargantuan solar power plant in a country with little experience in constructing such projects.

“The ability to predict solar energy yields off these systems to make accurate financial predictions isn’t in place yet in China,” Mr. Ahearn said.

Plans for the Ordos renewable energy park call for [wind farms](#) to generate 6,950 megawatts, photovoltaic power plants to provide 3,900 megawatts and solar thermal farms to supply 720 megawatts. Biomass operations, fueled by organic materials like wood chips and straw, will contribute 310 megawatts; 70 megawatts will be available from hydro storage, a load-balancing technology that uses off-peak power to pump water to a high reservoir from which it can be released to turn turbines at peak demand periods.

First Solar will have to establish a supply chain to provide power inverters and other hardware needed for its part of the project as well as train Chinese contractors how to build and operate solar farms. Another hurdle is that China must upgrade its transmission system to connect the solar power plant to the grid. Mr. Ahearn said it was probable that a Chinese utility would ultimately own and run the 16,000-acre solar power plant.

The agreement calls for ground to be broken on the first 30-megawatt phase of the project by June 1, 2010, followed by 100-megawatt and 870-megawatt additions to be completed by the end of 2014. A final 1,000-megawatt phase is scheduled to go online by Dec. 31, 2019.

New York Times Op-Ed Columnist

Workers Crushed by Toyota

Published: March 15, 2010

California has been very, very good to Toyota. It is one of the largest markets in the world for the popular Prius hybrid. Nearly 18 percent of all Toyotas sold in the U.S. are sold in California. The state has showered the company with benefits, including large-scale infrastructure improvements for its operations and millions of dollars for worker training. California is one of the key reasons that Toyota is the wealthiest carmaker on the planet.

Toyota is paying the state back with the foulest form of ingratitude.

The company is planning to shut down the assembly plant in Fremont, Calif., that makes Corollas and the Tacoma compact pickup. The plant closure will throw 4,700 experienced, highly skilled and dedicated employees onto the street during the worst job market since the Depression, and it will jeopardize nearly 20,000 other jobs around the state.

It is a cold and irresponsible act on Toyota's part, a decision that was not necessary from a business standpoint and that completely disregards the wave of human misery it is setting in motion.

The New United Motor Manufacturing Inc. plant (generally referred to as NUMMI) began as a joint venture between Toyota and General Motors in 1984. G.M. abandoned

the venture when it collapsed into bankruptcy proceedings last year. Toyota declared that the plant was no longer viable because of the absence of G.M. and announced that it would close at the end of this month.

What has not been made clear to the public is that for many years the plant has been used primarily to produce vehicles for Toyota, not General Motors. A report prepared for a state commission that has been seeking to avert the plant closure noted that “G.M. accounted for only 10 percent of the plant’s production last year and an average of 15.4 percent between 2001 and 2009.”

In fact, from Jan. 1 to Feb. 27 this year, with G.M. gone, Toyota produced 61,000 sparkling new vehicles at the plant. That was more than double the 27,000 that were produced in the same period in 2009, when G.M. was part of the operation.

The report, written by Harley Shaiken, a labor professor at the University of California, Berkeley, noted that “Toyota could easily fill its production lines at NUMMI by building a higher percentage of the Corollas it sells in the U.S.,” or by adding a new model to the plant — a hybrid, for example.

What we’re dealing with here is the kind of corporate treachery toward workers and their local communities that has ruined countless lives over the past several decades and completely undermined the long-term prospects of the economy.

The NUMMI plant is a heck of a lot more viable than the nonstop dissembling of top Toyota executives. The company could keep the plant open and profitable if it wanted to. But, instead, it has decided to shift the production of these vehicles to Japan, Canada, Mexico and Texas.

The scale of the ingratitude is breathtaking. The U.S. is the largest market for Toyota vehicles in the world, larger even than Japan. The Corolla, one of the vehicles produced at NUMMI, is the best-selling car of all time.

Beyond sales, Toyota has reaped endless benefits not just from California, but from the U.S. government and other states as well.

The federal cash-for-clunkers program, for example, was a bonanza for Toyota. As Professor Shaiken’s report put it: “The automaker ranked first in ‘Cash for Clunkers’ sales in summer 2009, a stimulus effort that allocated \$3 billion in incentives to trade in older models for newer, more fuel-efficient ones. The Corolla proved the most popular model.”

Among the infrastructure investments made by California on behalf of the NUMMI plant was the dredging of the Port of Oakland 12 years ago at a cost of \$410 million. That was done to accommodate the types of cargo ships required by the plant.

It will be a crushing economic blow if Toyota, as planned, high-tails it out of Fremont. Like the rest of the nation, California is struggling with the worst employment crisis since the 1930s. The NUMMI plant closure would be the single biggest layoff in the state since the start of the Great Recession in December 2007.

Those who are trumpeting the alleged fact that the recession is over should consider that the unemployment rate in California in January (the last month for which complete statistics are available) was a mind-numbing 12.5 percent. That was the fifth worst in the nation. In eight California counties, the jobless rate — not the underemployment rate, mind you, but the official jobless rate — was higher than 20 percent. Those counties are suffering through a depression.

The human toll behind such data is of no apparent interest to the fabulously wealthy Toyota operation.

Verification

I am an officer of the Complaining Corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except matters, which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 24th day of March, 2010, at San Francisco, California.

A handwritten signature in black ink that reads "Lynne Brown". The signature is written in a cursive, flowing style.

Lynne Brown Vice-President
CALifornians for Renewable Energy,
Inc. (CARE)